

Executive Summary – Enforcement Matter – Case No. 42207
Diamond Shamrock Refining Company, L.P.
RN100542802
Docket No. 2011-1350-AIR-E

Order Type:

1660 Agreed Order

Findings Order Justification:

N/A

Media:

AIR

Small Business:

No

Location(s) Where Violation(s) Occurred:

Valero Three Rivers Refinery, 301 Leroy Street, Three Rivers, Live Oak County

Type of Operation:

Petroleum refinery

Other Significant Matters:

Additional Pending Enforcement Actions: No

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

Texas Register Publication Date: March 2, 2012

Comments Received: No

Penalty Information

Total Penalty Assessed: \$33,913

Amount Deferred for Expedited Settlement: \$6,782

Amount Deferred for Financial Inability to Pay: \$0

Total Paid to General Revenue: \$13,566

Total Due to General Revenue: \$0

Payment Plan: N/A

SEP Conditional Offset: \$13,565

Name of SEP: Texas PTA - Texas PTA Clean School Buses

Compliance History Classifications:

Person/CN - Average

Site/RN - Average

Major Source: Yes

Statutory Limit Adjustment: N/A

Applicable Penalty Policy: September 2002

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Docket No. 2011-1350-AIR-E

Investigation Information

Complaint Date(s): N/A

Complaint Information: N/A

Date(s) of Investigation: May 24, 2011

Date(s) of NOE(s): July 26, 2011

Violation Information

1. Failed to maintain sensing devices capable of continuously and properly detecting the presence of a pilot flame for five flares, emission point numbers ("EPN") FL-003, FL-004, FL-005, FL-006, and FL-501. Specifically, false pilot flame signals occurred at the five flares intermittently (at least 232 instances), as reported in semi-annual deviation reports for the reporting periods between December 1, 2007 and September 30, 2009 [30 TEX. ADMIN. CODE §§ 101.20(3), 113.120, 113.340, 116.715(a), and 122.143(4), Federal Operating Permit ("FOP") No. 01450, General Terms and Conditions and Special Terms and Conditions No. 1.A., New Source Review ("NSR") Flexible Permit Nos. 50607, PSDTX331M1, PSDTX804, and PSDTX1017M1, Special Conditions No. 7.B., 40 CODE OF FEDERAL REGULATIONS ("CFR") §§ 63.11(b)(5), 63.114(a)(2), and 63.644(a)(2), and TEX. HEALTH & SAFETY CODE § 382.085(b)].

2. Failed to install and operate instrumentation sufficient to continuously measure and record the Fluid Catalytic Cracking Unit ("FCCU") regenerator's air flow rate ("Qa") and exhaust gases ("Qr") that led to the failure to correctly determine the FCCU's average coke burn-off rate ("Rc"). Specifically, the methods utilized by the Respondent to acquire Qa and Qr are not approved and consequently, the Rc has not been determined correctly on a daily basis since April 11, 2005, as reported in semi-annual deviation reports for the reporting periods between December 1, 2007 and September 30, 2009 [30 TEX. ADMIN. CODE §§ 113.780 and 122.143(4), FOP No. 01450, General Terms and Conditions and Special Terms and Conditions No. 1.A., 40 CFR §§ 63.1564(b) and 63.1572(c)(1), and TEX. HEALTH & SAFETY CODE § 382.085(b)].

3. Failed to conduct monthly monitoring during November and December 2008 of the volatile organic compounds associated with the cooling tower water at three cooling towers, EPN F-2810 at the East Plant, EPN F-0670 at the West Plant (Cooling Tower No. 1), and EPN F3670 at the West Plant (Cooling Tower No. 2) [30 TEX. ADMIN. CODE §§ 101.20(3), 116.715(a), and 122.143(4), FOP No. 01450, General Terms and Conditions and Special Terms and Conditions Nos. 1.A. and 17, NSR Flexible Permit Nos. 50607, PSDTX331M1, PSDTX804, and PSDTX1017M1, Special Conditions No. 22, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

4. Failed to submit accurate and complete semi-annual periodic reports. Specifically, the Respondent failed to report multiple instances of ultraviolet sensor malfunctions at the pilot flame apparatus for its Crude Flare, EPN FL-501, and FCCU Flare, EPN FL-003, that occurred between February 12, 2008 and September 28, 2009, in the four semi-annual reports for the semi-annual periods between January 1, 1008 and

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December 31, 2009. Additionally, for the 20 malfunctions regarding carbon monoxide emissions that were reported in these reports, the Respondent failed to include accurate times and durations of the malfunctions (reporting the emissions times and durations instead) [30 TEX. ADMIN. CODE §§ 113.780 and 122.143(4), FOP No. 01450, General Terms and Conditions and Special Terms and Conditions No. 1.A., 40 CFR § 63.1575(d) and (e)(1), and TEX. HEALTH & SAFETY CODE § 382.085(b)].

Corrective Actions/Technical Requirements

Corrective Action(s) Completed:

By January 2009, the Respondent implemented measures to ensure that monthly monitoring of the volatile organic compounds associated with the cooling tower water at three cooling towers, EPN F-2810 at the East Plant, EPN F-0670 at the West Plant (Cooling Tower No. 1), and EPN F3670 at the West Plant (Cooling Tower No. 2), is conducted.

Technical Requirements:

1. The Order will require the Respondent to implement and complete a Supplemental Environmental Project ("SEP"). (See SEP Attachment A)
2. The Order will also require the Respondent to:
 - a. Within 30 days, implement measures designed to ensure that ultraviolet sensor malfunctions at the pilot flame apparatus for the Crude Flare and FCCU Flare are properly reported in the semi-annual periodic reports;
 - b. Within 45 days, submit written certification and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision a.;
 - c. Within 90 days:
 - i. Obtain an approved alternative monitoring plan ("AMP") from the United States Environmental Protection Agency ("US EPA"). If an approved AMP cannot be obtained within 90 days, within an additional 180 days, install and maintain sensing devices capable of continuously and properly detecting the presence of a pilot flame for EPNs FL-003, FL-004, FL-005, FL-006, and FL-501; and
 - ii. Obtain an approved AMP from the US EPA. If an approved AMP cannot be obtained within 90 days, within an additional 365 days, install and operate instrumentation sufficient to continuously measure and record the FCCU's regenerator's Qa and Qr in order to determine the FCCU's Rc.
 - d. Within 105 days, if an AMP is obtained in order to meet the requirements of 40 CFR §§ 63.114(a)(2) and 63.644(a)(2), submit written certification and include detailed

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supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision c.i.;

e. Within 105 days, if an AMP is obtained in order to meet the requirements of 40 CFR §§ 63.1564 and 63.1572, submit written certification and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision c.ii.;

f. Within 285 days, if sensing devices capable of continuously and properly detecting the presence of a pilot flame for EPNs FL-003, FL-004, FL-005, FL-006, and FL-501 are installed and maintained, submit written certification and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision c.i.;

g. Within 470 days, if instrumentation sufficient to continuously measure and record the FCCU's regenerator's Qa and Qr in order to determine the FCCU's Rc is installed and operated, submit written certification and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision c.ii.;

Litigation Information

Date Petition(s) Filed: N/A
Date Answer(s) Filed: N/A
SOAH Referral Date: N/A
Hearing Date(s): N/A
Settlement Date: N/A

Contact Information

TCEQ Attorney: N/A
TCEQ Enforcement Coordinator: Trina Grieco, Enforcement Division, Enforcement Team 4, MC R-13, (210) 403-4006; Debra Barber, Enforcement Division, MC 219, (512) 239-0412
TCEQ SEP Coordinator: Stuart Beckley, SEP Coordinator, Enforcement Division, MC 219, (512) 239-3565
Respondent: Harry D. Wright, Jr., Vice President and General Manager, Diamond Shamrock Refining Company, L.P., P.O. Box 490, Three Rivers, Texas 78071-0490
Respondent's Attorney: N/A

Attachment A
Docket Number: 2011-1350-AIR-E

SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	Diamond Shamrock Refining Company, L.P.
Penalty Amount:	Twenty-Seven Thousand One Hundred Thirty-One Dollars (\$27,131)
SEP Offset Amount:	Thirteen Thousand Five Hundred Sixty-Five Dollars (\$13,565)
Type of SEP:	Pre-approved
Third-Party Recipient:	Texas PTA - <i>Texas PTA Clean School Buses</i>
Location of SEP:	Texas Air Quality Control Region 214 - Corpus Christi - Victoria

The Texas Commission on Environmental Quality ("TCEQ") agrees to offset a portion of the administrative Penalty Amount assessed in this Agreed Order for the Respondent to contribute to a Supplemental Environmental Project ("SEP"). The offset is equal to the SEP Offset Amount set forth above and is conditioned upon completion of the project in accordance with the terms of this Attachment A.

1. Project Description

A. Project

The Respondent shall contribute the SEP Offset Amount to the Third-Party Recipient named above. The contribution will be to **Texas PTA** for the *Texas PTA Clean School Bus Program* as set forth in an agreement between the Third-Party Recipient and the TCEQ. Specifically, the contribution will be used to reimburse local school districts for the cost of the following activities to reduce emissions: 1) replacing older diesel buses with alternative fueled or clean diesel buses; or 2) retrofitting older diesel buses with new, cleaner technology. All dollars contributed will be used solely for the direct cost of the project and no portion will be spent on administrative costs. The SEP will be done in accordance with all federal, state and local environmental laws and regulations.

The Respondent certifies that it has no prior commitment to make this contribution and that it is being done solely in an effort to settle this enforcement action.

Diamond Shamrock Refining Company, L.P.
Agreed Order - Attachment A

B. Environmental Benefit

This SEP will provide a discernible environmental benefit by reducing particulate emissions from buses by more than 90% below today's level and by reducing hydrocarbons.

C. Minimum Expenditure

The Respondent shall contribute at least the SEP Offset Amount to the Third-Party Recipient and comply with all other provisions of this SEP.

2. Performance Schedule

Within 30 days after the effective date of this Agreed Order, the Respondent must contribute the SEP Offset Amount to the Third-Party Recipient. The Respondent shall mail a copy of the Agreed Order with the contribution to:

Director of Finance
Texas PTA
408 West 11th Street
Austin, Texas 78701

3. Records and Reporting

Concurrent with the payment of the SEP Offset Amount, the Respondent shall provide the Enforcement Division SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP Offset Amount to the Third-Party Recipient. The Respondent shall mail a copy of the check and transmittal letter to:

Enforcement Division
Attention: SEP Coordinator, MC 219
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

4. Failure to Fully Perform

If the Respondent does not perform its obligations under this SEP in any way, including full expenditure of the SEP Offset Amount and submittal of the required reporting described in Section 3 above, the Executive Director may require immediate payment of all or part of the SEP Offset Amount.

Diamond Shamrock Refining Company, L.P.
Agreed Order - Attachment A

In the event of incomplete performance, the Respondent shall include on the check the docket number of this Agreed Order and a note that it is for reimbursement of a SEP. The Respondent shall make the payment for the amount due to "Texas Commission on Environmental Quality" and mail it to:

Litigation Division
Attention: SEP Coordinator, MC 175
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

5. Publicity

Any public statements concerning this SEP made by or on behalf of the Respondent must include a clear statement that the project was performed as part of the settlement of an enforcement action brought by the TCEQ. Such statements include advertising, public relations, and press releases.

6. Clean Texas Program

The Respondent shall not include this SEP in any application made to TCEQ under the "Clean Texas" (or any successor) program(s). Similarly, the Respondent may not seek recognition for this contribution in any other state or federal regulatory program.

7. Other SEPs by TCEQ or Other Agencies

The SEP identified in this Agreed Order has not been, and shall not be, included as a SEP for the Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.

DATES	Assigned	25-Jul-2011	Screening	3-Aug-2011	EPA Due	N/A
	PCW	20-Dec-2011				

RESPONDENT/FACILITY INFORMATION	
Respondent	Diamond Shamrock Refining Company, L.P.
Reg. Ent. Ref. No.	RN100542802
Facility/Site Region	14-Corpus Christi
Major/Minor Source	Major

CASE INFORMATION			
Enf./Case ID No.	42207	No. of Violations	4
Docket No.	2011-1350-AIR-E	Order Type	1660
Media Program(s)	Air	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	Trina Grieco
		EC's Team	Enforcement Team 4
Admin. Penalty \$ Limit Minimum	\$0	Maximum	\$10,000

Penalty Calculation Section			
TOTAL BASE PENALTY (Sum of violation base penalties)			Subtotal 1 \$17,500
ADJUSTMENTS (+/-) TO SUBTOTAL 1			
Subtotals 2-7 are obtained by multiplying the Total Base Penalty (Subtotal 1) by the indicated percentage.			
Compliance History	100.0% Enhancement	Subtotals 2, 3, & 7	\$17,500
Notes	Enhancement for four NOV's with same/similar violations, 14 NOV's with dissimilar violations, and three orders with denial of liability. Reduction for four Notice of Audit letters and two Disclosure of Violations submitted.		
Culpability	No 0.0% Enhancement	Subtotal 4	\$0
Notes	The Respondent does not meet the culpability criteria.		
Good Faith Effort to Comply Total Adjustments			Subtotal 5 \$1,875
Economic Benefit	0.0% Enhancement*	Subtotal 6	\$0
Total EB Amounts \$8,095 Approx. Cost of Compliance \$16,250		*Capped at the Total EB \$ Amount	
SUM OF SUBTOTALS 1-7			Final Subtotal \$33,125
OTHER FACTORS AS JUSTICE MAY REQUIRE		2.4%	Adjustment \$788
Reduces or enhances the Final Subtotal by the indicated percentage.			
Notes	Enhancement for recovery of avoided costs for Violation 3.		
			Final Penalty Amount \$33,913
STATUTORY LIMIT ADJUSTMENT			Final Assessed Penalty \$33,913
DEFERRAL	20.0% Reduction	Adjustment	-\$6,782
Reduces the Final Assessed Penalty by the indicated percentage. (Enter number only; e.g. 20 for 20% reduction.)			
Notes	Deferral offered for expedited settlement.		
PAYABLE PENALTY			\$27,131

Screening Date 3-Aug-2011

Docket No. 2011-1350-AIR-E

PCW

Respondent Diamond Shamrock Refining Company, L.P.

Policy Revision 2 (September 2002)

Case ID No. 42207

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100542802

Media [Statute] Air

Enf. Coordinator Trina Grieco

Compliance History Worksheet

>> Compliance History Site Enhancement (Subtotal 2)

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written notices of violation ("NOVs") with same or similar violations as those in the current enforcement action (<i>number of NOVs meeting criteria</i>)	4	20%
	Other written NOVs	14	28%
Orders	Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>)	3	60%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (<i>number of judgements or consent decrees meeting criteria</i>)	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government (<i>number of counts</i>)	0	0%
Emissions	Chronic excessive emissions events (<i>number of events</i>)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which notices were submitted</i>)	4	-4%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which violations were disclosed</i>)	2	-4%
Please Enter Yes or No			
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2) 100%

>> Repeat Violator (Subtotal 3)

No

Adjustment Percentage (Subtotal 3) 0%

>> Compliance History Person Classification (Subtotal 7)

Average Performer

Adjustment Percentage (Subtotal 7) 0%

>> Compliance History Summary

Compliance History Notes

Enhancement for four NOVs with same/similar violations, 14 NOVs with dissimilar violations, and three orders with denial of liability. Reduction for four Notice of Audit letters and two Disclosure of Violations submitted.

Total Adjustment Percentage (Subtotals 2, 3, & 7) 100%

Screening Date 3-Aug-2011

Docket No. 2011-1350-AIR-E

PCW

Respondent Diamond Shamrock Refining Company, L.P.

Policy Revision 2 (September 2002)

Case ID No. 42207

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100542802

Media [Statute] Air

Enf. Coordinator Trina Grieco

Violation Number 1

Rule Cite(s)

30 Tex. Admin. Code §§ 101.20(3), 113.120, 113.340, 116.715(a), and 122.143(4), Federal Operating Permit ("FOP") No. O1450, General Terms and Conditions and Special Terms and Conditions No. 1.A., New Source Review ("NSR") Flexible Permit Nos. 50607, PSDTX331M1, PSDTX804, and PSDTX1017M1, Special Conditions No. 7.B., 40 Code of Federal Regulations ("CFR") §§ 63.11(b)(5), 63.114(a)(2), and 63.644(a)(2), and Tex. Health & Safety Code § 382.085(b)

Violation Description

Failed to maintain sensing devices capable of continuously and properly detecting the presence of a pilot flame for five flares, emissions point numbers ("EPNs") FL-003, FL-004, FL-005, FL-006, and FL-501. Specifically, false pilot flame outage signals occurred at the five flares intermittently (at least 232 instances), as reported in semi-annual deviation reports for the reporting periods between December 1, 2007 and September 30, 2009.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential			X

Percent 10%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0%

Matrix Notes

Human health or the environment could be exposed to insignificant amounts of pollutants that would not exceed levels protective of human health or environmental receptors as a result of the violation.

Adjustment \$9,000

\$1,000

Violation Events

Number of Violation Events 5

669 Number of violation days

mark only one with an x	daily	
	weekly	
	monthly	
	quarterly	
	semiannual	
	annual	
	single event	X

Violation Base Penalty \$5,000

Five single events are recommended for the five flares with malfunctioning sensing devices.

Good Faith Efforts to Comply

0.0% Reduction

\$0

Before NOV NOV to EDPRP/Settlement Offer

Extraordinary		
Ordinary		
N/A	X	(mark with x)

Notes

The Respondent does not meet the good faith criteria for this violation.

Violation Subtotal \$5,000

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$538

Violation Final Penalty Total \$10,238

This violation Final Assessed Penalty (adjusted for limits) \$10,238

Economic Benefit Worksheet

Respondent Diamond Shamrock Refining Company, L.P.
Case ID No. 42207
Reg. Ent. Reference No. RN100542802
Media Air
Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$2,000	1-Dec-2007	15-Apr-2013	5.38	\$538	n/a	\$538

Notes for DELAYED costs

Estimated expense to ensure that sensing devices are functioning properly and continuously. The Date Required is the first date of the reporting period during which the devices first malfunctioned. The Final Date is the date corrective actions are projected to be completed.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$2,000

TOTAL

\$538

Screening Date 3-Aug-2011

Docket No. 2011-1350-AIR-E

PCW

Respondent Diamond Shamrock Refining Company, L.P.

Policy Revision 2 (September 2002)

Case ID No. 42207

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100542802

Media [Statute] Air

Enf. Coordinator Trina Grieco

Violation Number 2

Rule Cite(s)

30 Tex. Admin. Code §§ 113.780 and 122.143(4), FOP No. 01450, General Terms and Conditions and Special Terms and Conditions No. 1.A., 40 CFR §§ 63.1564(b) and 63.1572(c)(1), and Tex. Health & Safety Code § 382.085(b)

Violation Description

Failed to install and operate instrumentation sufficient to continuously measure and record the Fluid Catalytic Cracking Unit ("FCCU") regenerator's air flow rate ("Qa") and exhaust gases ("Qr") that led to the failure to correctly determine the FCCU's average coke burn off rate ("Rc"). Specifically, the methods utilized by the Respondent to acquire Qa and Qr are not approved and consequently, the Rc has not been determined correctly on a daily basis since April 11, 2005, as reported in semi-annual deviation reports for the reporting periods between December 1, 2007 and September 30, 2009.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential			x

Percent 10%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0%

Matrix Notes

Human health or the environment could be exposed to insignificant amounts of pollutants that would not exceed levels protective of human health or environmental receptors as a result of the violation.

Adjustment \$9,000

\$1,000

Violation Events

Number of Violation Events 1

2305 Number of violation days

mark only one with an x	daily	
	weekly	
	monthly	
	quarterly	
	semiannual	
	annual	
	single event	x

Violation Base Penalty \$1,000

One single event is recommended.

Good Faith Efforts to Comply

0.0% Reduction

\$0

	Before NOV	NOV to EDPRP/Settlement Offer
Extraordinary		
Ordinary		
N/A	x	(mark with x)

Notes

The Respondent does not meet the good faith criteria for this violation.

Violation Subtotal \$1,000

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$6,660

Violation Final Penalty Total \$2,048

This violation Final Assessed Penalty (adjusted for limits) \$2,048

Economic Benefit Worksheet

Respondent Diamond Shamrock Refining Company, L.P.

Case ID No. 42207

Reg. Ent. Reference No. RN100542802

Media Air

Violation No. 2

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

Delayed Costs

Equipment	\$10,000	11-Apr-2005	15-Oct-2013	8.52	\$284	\$5,679	\$5,962
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$2,000	11-Apr-2005	1-Apr-2012	6.98	\$698	n/a	\$698

Notes for DELAYED costs

Estimated expense to install (\$10,000) and operate (\$2,000) instrumentation sufficient to continuously measure and record the FCCU's regenerator's Qa and Qr in order to determine the FCCU's Rc. The Date Required is the date the averages were required to be determined. The Final Date is the date corrective actions are projected to be completed.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$12,000

TOTAL

\$6,660

Screening Date 3-Aug-2011

Docket No. 2011-1350-AIR-E

PCW

Respondent Diamond Shamrock Refining Company, L.P.

Policy Revision 2 (September 2002)

Case ID No. 42207

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100542802

Media [Statute] Air

Enf. Coordinator Trina Grieco

Violation Number 3

Rule Cite(s)

30 Tex. Admin. Code §§ 101.20(3), 116.715(a), and 122.143(4), FOP No. 01450, General Terms and Conditions and Special Terms and Conditions Nos. 1.A. and 17, NSR Flexible Permit Nos. 50607, PSDTX331M1, PSDTX804, and PSDTX1017M1, Special Conditions No. 22, and Tex. Health & Safety Code § 382.085(b)

Violation Description

Failed to conduct monthly monitoring during November and December 2008 of the volatile organic compounds ("VOC") associated with the cooling tower water at three cooling towers, EPN F-2810 at the East Plant, EPN F-0670 at the West Plant (Cooling Tower No. 1), and EPN F3670 at the West Plant (Cooling Tower No. 2).

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential		x	

Percent 25%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0%

Matrix Notes

Human health or the environment will or could be exposed to significant amounts of pollutants that would not exceed levels protective of human health or environmental receptors as a result of the violation.

Adjustment \$7,500

\$2,500

Violation Events

Number of Violation Events 3

31 Number of violation days

mark only one with an x	daily	
	weekly	
	monthly	
	quarterly	x
	semiannual	
	annual	
	single event	

Violation Base Penalty \$7,500

Three quarterly events are recommended (one quarter per cooling tower).

Good Faith Efforts to Comply

25.0% Reduction

\$1,875

Extraordinary

Before NOV NOV to EDPRP/Settlement Offer

Ordinary

x

N/A

(mark with x)

Notes

The Respondent completed corrective actions on January 31, 2009, prior to the July 26, 2011 NOE.

Violation Subtotal \$5,625

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$796

Violation Final Penalty Total \$13,437

This violation Final Assessed Penalty (adjusted for limits) \$13,437

Economic Benefit Worksheet

Respondent Diamond Shamrock Refining Company, L.P.
Case ID No. 42207
Reg. Ent. Reference No. RN100542802
Media Air
Violation No. 3

Percent Interest 5.0
Years of Depreciation 15

Item Cost **Date Required** **Final Date** **Yrs** **Interest Saved** **Onetime Costs** **EB Amount**
Item Description No commas or \$

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$1,000	30-Nov-2008	31-Jan-2009	0.17	\$8	n/a	\$8

Notes for DELAYED costs

Estimated cost to implement measures to ensure that monthly monitoring of the VOC associated with the cooling tower water at the three cooling towers is conducted. The Date Required is the last day of the month during which monitoring was not conducted. The Final Date the date of compliance.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)	\$750	30-Nov-2008	31-Dec-2008	1.00	\$38	\$750	\$788

Notes for AVOIDED costs

Estimated expense to monitor VOCs associated with the water at three cooling towers (\$250 per tower). The Date Required is the last day of the month during which monitoring was not conducted. The Final Date is the last day of the month during which monitoring was not conducted.

Approx. Cost of Compliance **\$1,750** **TOTAL** **\$796**

Screening Date 3-Aug-2011

Docket No. 2011-1350-AIR-E

PCW

Respondent Diamond Shamrock Refining Company, L.P.

Policy Revision 2 (September 2002)

Case ID No. 42207

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100542802

Media [Statute] Air

Enf. Coordinator Trina Grieco

Violation Number 4

Rule Cite(s)

30 Tex. Admin. Code §§ 113.780 and 122.143(4), FOP No. 01450, General Terms and Conditions and Special Terms and Conditions No. 1.A., 40 CFR § 63.1575(d) and (e)(1), and Tex. Health & Safety Code § 382.085(b)

Violation Description

Failed to submit accurate and complete semi-annual periodic reports. Specifically, the Respondent failed to report multiple instances of ultraviolet sensor malfunctions at the pilot flame apparatus for its Crude Flare, EPN FL-501, and FCCU Flare, EPN FL-003, that occurred between February 12, 2008 and September 28, 2009, in the four semi-annual reports submitted for the semi-annual periods between January 1, 2008 and December 31, 2009. Additionally, for the 20 malfunctions regarding carbon monoxide emissions that were reported in these reports, the Respondent failed to include accurate times and durations of the malfunctions (reporting the emissions times and durations instead).

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential			

Percent 0%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor
		x	

Percent 10%

Matrix Notes

The Respondent failed to comply with approximately 56% (four of seven) of the rule requirements.

Adjustment \$9,000

\$1,000

Violation Events

Number of Violation Events 4

552 Number of violation days

mark only one with an x	daily	
	weekly	
	monthly	
	quarterly	
	semiannual	
	annual	
	single event	x

Violation Base Penalty \$4,000

Four single events are recommended for the four deficient reports submitted.

Good Faith Efforts to Comply

0.0% Reduction

\$0

	Before NOV	NOV to EDPRP/Settlement Offer
Extraordinary		
Ordinary		
N/A	x	(mark with x)

Notes

The Respondent does not meet the good faith criteria for this violation.

Violation Subtotal \$4,000

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$101

Violation Final Penalty Total \$8,190

This violation Final Assessed Penalty (adjusted for limits) \$8,190

Economic Benefit Worksheet

Respondent Diamond Shamrock Refining Company, L.P.
Case ID No. 42207
Reg. Ent. Reference No. RN100542802
Media Air
Violation No. 4

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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No commas or \$

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$500	28-Jul-2008	15-Aug-2012	4.05	\$101	n/a	\$101

Notes for DELAYED costs

Estimated expense to implement measures designed to ensure that ultraviolet sensor malfunctions at the pilot flame apparatus for the Crude Flare and FCCU Flare are properly reported in the semi-annual periodic reports. The Date Required is the date the first deficient report was submitted. The Final Date is the date corrective actions are projected to be completed.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$500

TOTAL

\$101

Compliance History

Customer/Respondent/Owner-Operator:	CN600124861	Diamond Shamrock Refining Company, L.P.	Classification: AVERAGE	Rating: 5.59
Regulated Entity:	RN100542802	VALERO THREE RIVERS REFINERY	Classification: AVERAGE	Site Rating: 7.29
ID Number(s):	AIR OPERATING PERMITS	ACCOUNT NUMBER	LK0009T	
	AIR OPERATING PERMITS	PERMIT	1450	
	POLLUTION PREVENTION PLANNING	ID NUMBER	P00175	
	INDUSTRIAL AND HAZARDOUS WASTE	PERMIT	50100	
	INDUSTRIAL AND HAZARDOUS WASTE	EPA ID	TXD990709966	
	INDUSTRIAL AND HAZARDOUS WASTE	SOLID WASTE REGISTRATION #	31553	
	WASTEWATER	(SWR) PERMIT	WQ0001353000	
	WASTEWATER	EPA ID	TX0088331	
	AIR NEW SOURCE PERMITS	AFS NUM	4829700006	
	AIR NEW SOURCE PERMITS	REGISTRATION	92495	
	AIR NEW SOURCE PERMITS	REGISTRATION	92214	
	AIR NEW SOURCE PERMITS	REGISTRATION	92112	
	AIR NEW SOURCE PERMITS	PERMIT	50607	
	AIR NEW SOURCE PERMITS	ACCOUNT NUMBER	LK0009T	
	AIR NEW SOURCE PERMITS	PERMIT	2362B	
	AIR NEW SOURCE PERMITS	PERMIT	5139A	
	AIR NEW SOURCE PERMITS	REGISTRATION	9190	
	AIR NEW SOURCE PERMITS	REGISTRATION	10815	
	AIR NEW SOURCE PERMITS	REGISTRATION	16020	
	AIR NEW SOURCE PERMITS	REGISTRATION	16103	
	AIR NEW SOURCE PERMITS	REGISTRATION	27201	
	AIR NEW SOURCE PERMITS	REGISTRATION	30363	
	AIR NEW SOURCE PERMITS	REGISTRATION	40102	
	AIR NEW SOURCE PERMITS	REGISTRATION	45790	
	AIR NEW SOURCE PERMITS	REGISTRATION	49756	
	AIR NEW SOURCE PERMITS	REGISTRATION	49489	
	AIR NEW SOURCE PERMITS	REGISTRATION	49486	
	AIR NEW SOURCE PERMITS	REGISTRATION	49488	
	AIR NEW SOURCE PERMITS	REGISTRATION	54729	
	AIR NEW SOURCE PERMITS	REGISTRATION	55285	
	AIR NEW SOURCE PERMITS	REGISTRATION	55896	
	AIR NEW SOURCE PERMITS	REGISTRATION	75517	
	AIR NEW SOURCE PERMITS	REGISTRATION	70536	
	AIR NEW SOURCE PERMITS	PERMIT	PSDTX1017	
	AIR NEW SOURCE PERMITS	REGISTRATION	55728	
	AIR NEW SOURCE PERMITS	EPA ID	PSDTX331M5	
	AIR NEW SOURCE PERMITS	EPA ID	PSDTX804	
	AIR NEW SOURCE PERMITS	EPA ID	PSDTX331	
	AIR NEW SOURCE PERMITS	REGISTRATION	71415	
	AIR NEW SOURCE PERMITS	REGISTRATION	50835	
	AIR NEW SOURCE PERMITS	REGISTRATION	71663	
	AIR NEW SOURCE PERMITS	REGISTRATION	76733	
	AIR NEW SOURCE PERMITS	EPA ID	PSDTX1017	
	AIR NEW SOURCE PERMITS	REGISTRATION	78562	
	AIR NEW SOURCE PERMITS	REGISTRATION	79137	
	AIR NEW SOURCE PERMITS	REGISTRATION	78872	
	AIR NEW SOURCE PERMITS	REGISTRATION	79862	
	AIR NEW SOURCE PERMITS	REGISTRATION	81078	
	AIR NEW SOURCE PERMITS	REGISTRATION	82209	

AIR NEW SOURCE PERMITS	REGISTRATION	81730
AIR NEW SOURCE PERMITS	REGISTRATION	81540
AIR NEW SOURCE PERMITS	REGISTRATION	83511
AIR NEW SOURCE PERMITS	REGISTRATION	94531
AIR NEW SOURCE PERMITS	REGISTRATION	94733
AIR NEW SOURCE PERMITS	REGISTRATION	94899
AIR NEW SOURCE PERMITS	REGISTRATION	86444
AIR NEW SOURCE PERMITS	REGISTRATION	84592
AIR NEW SOURCE PERMITS	EPA ID	PSDTX1017M1
AIR NEW SOURCE PERMITS	REGISTRATION	95284
AIR NEW SOURCE PERMITS	REGISTRATION	95085
AIR NEW SOURCE PERMITS	REGISTRATION	90773
AIR NEW SOURCE PERMITS	REGISTRATION	89852
AIR NEW SOURCE PERMITS	REGISTRATION	95411
AIR NEW SOURCE PERMITS	REGISTRATION	96280
AIR NEW SOURCE PERMITS	REGISTRATION	97169
AIR NEW SOURCE PERMITS	REGISTRATION	87873
STORMWATER	PERMIT	TXR05L552
UNDERGROUND INJECTION CONTROL	PERMIT	WDW404
UNDERGROUND INJECTION CONTROL	PERMIT	WDW405
UNDERGROUND INJECTION CONTROL	PERMIT	WDW406
IHW CORRECTIVE ACTION	SOLID WASTE REGISTRATION #	31553
WASTE WATER GENERAL PERMIT	(SWR) PERMIT	TXG670020
AIR EMISSIONS INVENTORY	ACCOUNT NUMBER	LK0009T

Location: 301 LEROY ST, THREE RIVERS, TX, 78071

TCEQ Region: REGION 14 - CORPUS CHRISTI

Date Compliance History Prepared: August 02, 2011

Agency Decision Requiring Compliance History: Enforcement

Compliance Period: August 02, 2006 to August 02, 2011

TCEQ Staff Member to Contact for Additional Information Regarding this Compliance History

Name: Trina Grieco Phone: (210) 403-4006

Site Compliance History Components

1. Has the site been in existence and/or operation for the full five year compliance period? Yes
2. Has there been a (known) change in ownership/operator of the site during the compliance period? No
3. If Yes, who is the current owner/operator? N/A
4. If Yes, who was/were the prior owner(s)/operator(s)? N/A
5. When did the change(s) in owner or operator occur? N/A
6. Rating Date: 9/1/2010 Repeat Violator: NO

Components (Multimedia) for the Site :

- A. Final Enforcement Orders, court judgments, and consent decrees of the State of Texas and the federal government.

Effective Date: 10/04/2007

ADMINORDER 2005-1948-AIR-E

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter B 116.115(c)
5C THC Chapter 382, SubChapter D 382.085(b)

Rqmt Prov: Special Condition 1 PERMIT

Description: Failed to comply with permitted emissions limits (TCEQ Incident Nos. 57793, 57796, and 57800), documented during an investigation conducted July 29, 2005 through August 2, 2005.

Specifically, an emissions event that occurred May 3 - 6, 2005 had the following quantities: 5,959.15

pounds carbon monoxide, 56.51 pounds nitrogen dioxide, 1,073.76 pounds nitrogen monoxide, 35,534.85 pounds sulfur dioxide, 2,350.87 pounds butane, 179.25 pounds hydrogen sulfide, and 5,936.53 pounds propane.

Classification: Minor

Citation: 30 TAC Chapter 101, SubChapter F 101.201(b)

5C THC Chapter 382, SubChapter D 382.085(b)

Description: Failure to submit a complete and accurate final report for Incident No. 57800.

Effective Date: 09/22/2008

ADMINORDER 2008-0276-AIR-E

Classification: Minor

Citation: 30 TAC Chapter 101, SubChapter F 101.201(a)(1)

5C THSC Chapter 382 382.085(b)

Description: Failure to notify the TCEQ Corpus Christi Region Office within 24 hours after the discovery of an emissions event.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)

30 TAC Chapter 101, SubChapter A 101.20(3)

30 TAC Chapter 116, SubChapter G 116.715(c)(7)

40 CFR Chapter 60, SubChapter C, PT 60, SubPT J 60.104(a)(2)(i)

5C THSC Chapter 382 382.085(b)

Rqmt Prov: SCs 1 and 2 PERMIT

Special Condition 2B PERMIT

Description: Failure prevent an unauthorized emission event and to limit the sulfur dioxide ppm by volume (dry basis) at zero percent excess air to 250 ppmv.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)

30 TAC Chapter 111, SubChapter A 111.111(a)(4)

30 TAC Chapter 116, SubChapter G 116.715(c)(7)

5C THSC Chapter 382 382.085(b)

Rqmt Prov: SC 1 PERMIT

TCEQ Air Permit 50607/PSD-TX331M1, PSD- PERMIT

Description: failed to meet the special conditions of TCEQ Flex Permit Number 50607, PSD-TX-331M1, PSD-TX-804, and PSD-TX-1017. Specifically, Diamond Shamrock Refining Company LP failed to meet the affirmative defense of 30 TAC §101.222(b)(2) and (b)(3) by failing to prevent unauthorized visible emissions from the FCCU Flare (EPN FL-003) and the HCU Flare (EPN FL-004) as reported on or about November 20, 2007 in emissions event incident number 100299, which was due to an operator error and was avoidable.

Effective Date: 08/09/2010

ADMINORDER 2009-1705-AIR-E

Classification: Moderate

Citation: 30 TAC Chapter 106, SubChapter S 106.433(7)(D)

30 TAC Chapter 106, SubChapter S 106.433(9)

30 TAC Chapter 106, SubChapter T 106.452(2)(D)

30 TAC Chapter 106, SubChapter T 106.452(2)(E)

5C THSC Chapter 382 382.085(b)

Description: Failure to register dry abrasive sandblasting and surface coating operations. Specifically, during an on-site investigation on June 16, 2009, dry abrasive sandblasting and surface coating operations were observed, however, during a subsequent record review investigation on July 2, 2009, it was documented that the Respondent had not submitted a registration to authorize such operations.

B. Any criminal convictions of the state of Texas and the federal government.

N/A

C. Chronic excessive emissions events.

N/A

D. The approval dates of investigations. (CCEDS Inv. Track. No.)

- 1 08/17/2006 (486707)
- 2 11/15/2006 (519601)
- 3 11/17/2006 (531209)
- 4 04/05/2007 (534570)

5	02/02/2007	(536186)
6	01/29/2007	(538086)
7	02/16/2007	(539013)
8	02/20/2007	(539328)
9	02/23/2007	(540422)
10	03/23/2007	(540495)
11	01/28/2008	(540527)
12	03/22/2007	(541719)
13	03/19/2007	(543755)
14	05/08/2007	(555030)
15	05/02/2007	(556217)
16	07/11/2007	(566548)
17	08/31/2007	(573673)
18	09/05/2007	(574266)
19	02/22/2007	(586810)
20	03/20/2007	(586812)
21	05/21/2007	(586817)
22	06/22/2007	(586820)
23	07/23/2007	(586823)
24	08/17/2006	(586825)
25	09/18/2006	(586827)
26	10/16/2006	(586829)
27	11/15/2006	(586831)
28	12/18/2006	(586833)
29	01/17/2007	(586835)
30	01/14/2008	(595864)
31	08/20/2007	(608555)
32	12/17/2007	(609417)
33	01/16/2008	(614747)
34	03/20/2008	(619180)
35	03/12/2008	(636452)
36	04/29/2008	(639525)
37	05/23/2008	(654332)
38	05/27/2008	(680195)
39	06/20/2008	(680240)
40	08/12/2008	(684817)
41	08/25/2008	(688634)
42	08/22/2008	(699621)
43	10/08/2008	(702189)
44	10/24/2008	(705244)
45	12/08/2008	(709472)
46	02/02/2009	(720964)
47	02/16/2009	(725813)
48	03/17/2009	(737654)
49	06/18/2009	(743155)
50	05/26/2009	(746797)
51	05/26/2009	(746799)
52	06/17/2009	(746858)
53	08/20/2009	(749401)
54	02/08/2008	(754253)
55	02/13/2009	(754254)

56	03/24/2009	(754255)
57	03/20/2008	(754256)
58	04/20/2007	(754257)
59	04/21/2008	(754258)
60	05/20/2008	(754259)
61	06/23/2008	(754260)
62	07/21/2008	(754261)
63	08/21/2008	(754262)
64	09/24/2007	(754263)
65	09/18/2008	(754264)
66	10/22/2007	(754265)
67	10/17/2008	(754266)
68	11/15/2007	(754267)
69	11/18/2008	(754268)
70	12/13/2007	(754269)
71	12/22/2008	(754270)
72	01/22/2008	(754271)
73	01/20/2009	(754272)
74	06/29/2009	(759527)
75	08/17/2009	(761551)
76	04/28/2010	(763494)
77	08/28/2009	(766976)
78	10/06/2009	(775650)
79	03/24/2010	(778911)
80	01/29/2010	(789485)
81	08/31/2010	(796462)
82	09/22/2010	(798031)
83	05/27/2010	(798946)
84	02/11/2010	(814767)
85	10/23/2009	(814768)
86	11/17/2009	(814769)
87	12/21/2009	(814770)
88	01/21/2010	(814771)
89	06/07/2010	(824791)
90	06/10/2010	(825607)
91	08/14/2009	(827910)
92	08/04/2010	(829613)
93	03/22/2010	(834382)
94	04/20/2010	(834383)
95	05/20/2010	(834384)
96	07/29/2010	(842063)
97	07/30/2010	(843263)
98	10/08/2010	(844766)
99	06/22/2010	(847346)
100	10/04/2010	(850492)
101	08/31/2010	(850617)
102	07/22/2010	(868198)
103	08/20/2010	(868199)
104	11/24/2010	(873150)
105	12/22/2010	(873349)
106	09/17/2010	(875117)

107 11/24/2010 (878698)
 108 10/21/2010 (882729)
 109 12/14/2010 (884777)
 110 12/22/2010 (889138)
 111 02/17/2011 (892680)
 112 01/06/2011 (897515)
 113 01/21/2011 (903402)
 114 04/06/2011 (907690)
 115 05/27/2011 (908860)
 116 02/18/2011 (910319)
 117 06/13/2011 (924168)
 118 07/22/2011 (924277)
 119 07/06/2011 (932660)
 120 07/01/2011 (933436)

E. Written notices of violations (NOV). (CCEDS Inv. Track. No.)

Date: 03/19/2007 (543755) CN600124861
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
 Description: Failure to comply with all terms and conditions codified in the permit and any provisional terms and conditions required to be included with the permit. Specifically, the Regulated Entity failed to conduct a quarterly observation for visible emissions for stationary vents for the period of 01/01/06 through 03/31/06.

Date: 03/19/2007 (543755) CN600124861
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 113, SubChapter C 113.120
 Description: Failure to comply with required standards for storage vessels as required by 40 CFR Part 63 (Subpart G). Specifically, the RE failed to inspect storage tank S-119 and submit a 30 day advanced notification per the HON standards prior to filling the tank.

Date: 05/31/2007 (586820) CN600124861
 Self Report? YES Classification: Moderate
 Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
 TWC Chapter 26 26.121(a)
 Description: Failure to meet the limit for one or more permit parameter

Date: 06/30/2007 (586823) CN600124861
 Self Report? YES Classification: Moderate
 Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
 TWC Chapter 26 26.121(a)
 Description: Failure to meet the limit for one or more permit parameter

Date: 07/31/2007 (608555) CN600124861
 Self Report? YES Classification: Moderate
 Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
 30 TAC Chapter 305, SubChapter F 305.125(1)
 Description: Failure to meet the limit for one or more permit parameter

Date: 08/31/2007 (573673) CN600124861
 Self Report? NO Classification: Minor
 Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
 Interim Effluent Limitations No. 1, Pg. PERMIT
 Description: Failure to comply with the permitted effluent limitations.

Date: 08/31/2007 (573673) CN600124861
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
 Other Requirements No. 6 (C), Pg. 13 PERMIT
 Description: Failure to comply with the effluents limitations for wastewater used for irrigation.

Date: 09/30/2007 (754265) CN600124861
Self Report? YES Classification: Moderate
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)
Description: Failure to meet the limit for one or more permit parameter

Date: 10/31/2007 (754267) CN600124861
Self Report? YES Classification: Moderate
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)
Description: Failure to meet the limit for one or more permit parameter

Date: 08/22/2008 (699621) CN600124861
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 331, SubChapter D 331.63
Provision Number XII.E.2. PERMIT
Description: Failure to test and calibrate on a quarterly basis, all gauges, pressure sensing devices, and recording devices associated with underground injection well number WDW-404, as required by 30 TAC 331.63(g).

Date: 02/02/2009 (720964) CN600124861
Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TPDES Permit No. WQ0001353-000 PERMIT
Description: Failure to maintain compliance with the 1.6 million gallon (MG) permitted total volume discharge during a 24-hour period.
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TPDES Permit No. WQ0001353-001 PERMIT
Description: Failure to meet permit limitations for total mercury for Outfall 001.

Date: 08/14/2009 (827910) CN600124861
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
30 TAC Chapter 305, SubChapter F 305.125(17)
Description: NON-RPT VIOS FOR MONIT PER OR PIPE

Date: 08/18/2009 (749401) CN600124861
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 335, SubChapter A 335.6(c)
30 TAC Chapter 335, SubChapter A 335.6(c)(1)
30 TAC Chapter 335, SubChapter A 335.6(c)(2)
30 TAC Chapter 335, SubChapter A 335.6(c)(3)
30 TAC Chapter 335, SubChapter A 335.6(c)(4)
30 TAC Chapter 335, SubChapter A 335.6(c)(5)
30 TAC Chapter 335, SubChapter A 335.6(c)(5)(A)
30 TAC Chapter 335, SubChapter A 335.6(c)(5)(B)
30 TAC Chapter 335, SubChapter A 335.6(c)(5)(C)
30 TAC Chapter 335, SubChapter A 335.6(c)(5)(D)
Description: Failure to provide written notification for all municipal hazardous waste streams, industrial solid waste streams and associated waste management units.
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 335, SubChapter A 335.4
TWC Chapter 26 26.121
Description: No person may cause, suffer, allow, or permit the collection, handling, storage, processing, or disposal of industrial solid waste so as to cause the discharge or imminent threat of discharge of industrial solid waste into or adjacent to the waters in the state without obtaining specific authorization for such a discharge.

Date: 03/31/2010 (834383) CN600124861
Self Report? YES Classification: Moderate

Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)
Description: Failure to meet the limit for one or more permit parameter

Date: 04/30/2010 (834384) CN600124861
Self Report? YES Classification: Moderate
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)
Description: Failure to meet the limit for one or more permit parameter

Date: 05/27/2010 (798946) CN600124861
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
TPDES Permit No. WQ0001353-001 PERMIT
Description: Failure to maintain compliance with permitted effluent limit for dissolved oxygen (DO) of 4.0 mg/l minimum.

Date: 08/31/2010 (796462) CN600124861
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 113, SubChapter C 113.120
30 TAC Chapter 113, SubChapter C 113.340
30 TAC Chapter 116, SubChapter G 116.715(a)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT AA 63.644(a)(2)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT G 63.114(a)(2)
40 CFR Part 63, Subpart A 63.11(b)(1)
5C THSC Chapter 382 382.085(b)
SC 7 B PA
ST & C 1A OP
Description: Failure to maintain a sensing device capable of continuously and properly detecting the presence of a pilot flame at the Three Rivers Refinery's five flares. Additionally, the Special Condition (SC) 7B of the flexible permit requires a monitor or other sensing device that will detect the presence of a pilot flame at all times.

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 113, SubChapter C 113.340
30 TAC Chapter 116, SubChapter G 116.715(a)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.18(c)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT A 63.11(b)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT AA 63.643(a)(1)
5C THSC Chapter 382 382.085(b)
SC 7A PA
SC 7D PA
ST & C 1A OP
Description: Failure to meet the 40 CFR § 60.18 specifications of minimum heating value at the DOT Flare (EPN FL-006).

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 113, SubChapter C 113.120
30 TAC Chapter 116, SubChapter G 116.715(a)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT G 63.128(f)
5C THSC Chapter 382 382.085(b)
SC 25 PA
ST & C 1A OP
Description: Failure to load benzene and toluene onto railcars that have been Vapor Tightness Tested (VTT) within the preceding 12 months utilizing Method 27 of 40 CFR 60 appendix A.

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT J 60.105(a)

ST & C1A OP

Description: Failure to install, calibrate, maintain, and operate a continuous monitoring system (CMS) to measure and record the concentration of either sulfur dioxide (SO₂) or hydrogen sulfide (H₂S) emissions into the atmosphere at its Loading Rack Vapor Combustor (EPN VCU-1).

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 113, SubChapter C 113.780
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT UUU 63.1564(c)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT UUU 63.1572(c)(1)
5C THSC Chapter 382 382.085(b)
ST & C 1A OP

Description: Failure to determine and record each day the Fluid Catalytic Cracking Unit's (FCCU) average coke burn-off rate (Rc) in the manner required by rule. Additionally, the Three Rivers refinery has failed to install and operate instrumentation sufficient to continuously measure and record the FCCU regenerator's air flow rate (Qa) and exhaust gases (Qr) as directed by the applicable regulations in 40 CFR 63 Subpart UUU.

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 113, SubChapter C 113.780
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT UUU 63.1569
40 CFR Chapter 63, SubChapter C, PT 63, SubPT UUU 63.1574(a)(3)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT UUU 63.1575(c)
5C THSC Chapter 382 382.085(b)
ST & C 1A OP

Description: Failure to identify, record, and report as required the operation of a second bypass line at its Sulfur Recovery Unit (SRU) No. 1. Additionally, regarding the second bypass line, the facility failed to demonstrate and report, as required by § 63.1569 and 63.1575(c), respectively, that it was in compliance with the applicable work standard initially and continuously as of its compliance date of April 11, 2005.

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(2)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.345(b)
5C THSC Chapter 382 382.085(b)
ST & C 11A OP

Description: Failure to conduct quarterly visual inspections of containers considered to be in benzene waste service.

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(2)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.345(a)(1)(i)
5C THSC Chapter 382 382.085(b)
ST & C 11A OP

Description: Failure to conduct an annual compliance test for fugitive emissions leaks on containers in benzene waste service in accordance with the requirements of 40 CFR 61 Subpart FF.

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(2)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.349(f)
5C THSC Chapter 382 382.085(b)
ST & C 1A OP

Description: Failure to visually inspect eight control devices and 487 components (valves and connectors) for evidence of visible defects initially and at least quarterly thereafter.

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter G 116.715(a)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
SC 22 PA
ST & C 18 OP

Description: Failure to monitor monthly (November and December 2008) the volatile organic compounds (VOC) associated with cooling tower water at its three cooling

towers (CTs). Additionally, in accordance with the requirement in SC 22, the company has failed to gain approval for leak detection limits consistent with BACT for each of its three cooling tower systems.

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 113, SubChapter C 113.120
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT G 63.122(a)(4)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT G 63.122(d)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT G 63.152(c)
5C THSC Chapter 382 382.085(b)
ST & C 1A OP

Description: Failure to submit accurate and complete 40 CFR 63 Subpart G semiannual periodic reports (PRs).

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
30 TAC Chapter 113, SubChapter C 113.130
30 TAC Chapter 113, SubChapter C 113.340
40 CFR Chapter 60, SubChapter C, PT 60, SubPT GGG 60.592(a)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-2(a)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-7(a)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-7(c)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT AA 63.648(a)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.174(d)
5C THSC Chapter 382 382.085(b)
ST & C 1A OP

Description: Failure to monitor, inspect, and attempt to repair components (connectors, pumps and valves) in a fugitive monitoring program within the time allotted by the applicable rule. Additionally, in the same time frame, a total of 5 components did not undergo a "first attempt at repair" no later than five calendar days after each leak was detected.

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
30 TAC Chapter 113, SubChapter C 113.130
30 TAC Chapter 113, SubChapter C 113.340
30 TAC Chapter 116, SubChapter G 116.715(a)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT GGG 60.592(a)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-6(a)(1)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT AA 63.648(a)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.167(a)(1)
5C THSC Chapter 382 382.085(b)
SC13E PA
ST & C 1A OP

Description: Failure to equip each open-ended valve or line with a cap, blind flange, plug, or second valve.

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
30 TAC Chapter 113, SubChapter C 113.130
30 TAC Chapter 116, SubChapter G 116.715(a)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Part 60, Subpart VV 60.482-7
40 CFR Part 60, Subpart VV 60.482-8
40 CFR Part 63, Subpart H 63.168
40 CFR Part 63, Subpart H 63.169
40 CFR Part 63, Subpart H 63.174
5C THSC Chapter 382 382.085(b)
SC 13F PA
SC13E PA
ST & C 18 OP
ST & C 1A OP

Description: Failure to fugitive monitor applicable components (existing valves) in VOC service as required by the state permit. Also per the state permit, the facility failed to demonstrate that audio, visual, and olfactory inspections were conducted at affected and existing connectors on a weekly basis. Additionally, the facility failed to monitor, inspect for defects or leaks, repair, record, and report, as applicable, the aforementioned components in Subpart VV and Subpart H service.

Self Report?	NO	Classification:	Minor
Citation:	30 TAC Chapter 101, SubChapter A 101.20(2) 30 TAC Chapter 122, SubChapter B 122.143(4) 40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.357(d)(6) 5C THSC Chapter 382 382.085(b) ST & C 1A OP		
Description:	Failure to submit accurate quarterly benzene wastewater reports as required by rule. Quarterly Subpart FF reports submitted prior to the affected period were inaccurate, since existing equipment subject to the rule failed to be inspected as required.		
Self Report?	NO	Classification:	Minor
Citation:	30 TAC Chapter 113, SubChapter C 113.780 30 TAC Chapter 122, SubChapter B 122.143(4) 40 CFR Chapter 63, SubChapter C, PT 63, SubPT UUU 63.1575(d) 40 CFR Chapter 63, SubChapter C, PT 63, SubPT UUU 63.1575(e)(1) 5C THSC Chapter 382 382.085(b) ST & C 1A OP		
Description:	Failure to submit accurate and complete semiannual Periodic Reports (PR) in accordance with the reporting requirements of 40 CFR 63 Subpart UUU. Additionally, in accordance with § 63.1575(e)(1), the company failed to report the date and time that each malfunction started and stopped at each affected unit.		
Self Report?	NO	Classification:	Moderate
Citation:	30 TAC Chapter 101, SubChapter F 101.201(b)(2) 30 TAC Chapter 101, SubChapter F 101.211(b)(2) 30 TAC Chapter 122, SubChapter B 122.143(4) 5C THSC Chapter 382 382.085(b) ST & C 2F & G OP		
Description:	Failure to identify in the final record all contaminants, correct total quantities emitted, and actual durations for each emissions event or scheduled activity. Additionally, the company failed to demonstrate that the each incident's final record was completed with two weeks after the end of an emissions event or scheduled activity.		
Self Report?	NO	Classification:	Moderate
Citation:	30 TAC Chapter 116, SubChapter G 116.715(a) 30 TAC Chapter 122, SubChapter B 122.143(4) 5C THSC Chapter 382 382.085(b) SC 27 PA ST & C 18 OP		
Description:	Failure to operate without visible liquid leaks or spills. Additionally, the company failed to clean immediately those spills observed at the North Truck Rack and the Railcar Loading Rack.		
Self Report?	NO	Classification:	Moderate
Citation:	30 TAC Chapter 116, SubChapter G 116.715(a) 30 TAC Chapter 122, SubChapter B 122.143(4) 5C THSC Chapter 382 382.085(b) SC 35 PA ST & C 18 OP		
Description:	Failure to demonstrate that the Emergency Response to HF Acid Leaks plan (revised August 2007) and a Safety and Health Guidelines document contain and describe procedures sufficient to respond and curtail potential off-site impacts of a hydrofluoric acid release.		
Self Report?	NO	Classification:	Moderate
Citation:	30 TAC Chapter 101, SubChapter A 101.20(1) 30 TAC Chapter 101, SubChapter A 101.20(3) 30 TAC Chapter 113, SubChapter C 113.130 30 TAC Chapter 113, SubChapter C 113.340 30 TAC Chapter 122, SubChapter B 122.143(4) 40 CFR Chapter 60, SubChapter C, PT 60, SubPT GGG 60.592(a) 40 CFR Chapter 63, SubChapter C, PT 63, SubPT AA 63.648(a) 40 CFR Part 60, Subpart VV 60.482-5 40 CFR Part 63, Subpart H 63.166 5C THSC Chapter 382 382.085(b) ST & C 1A OP		
Description:	Failure to equip each process sampling point with a sampling connection system equipped with a closed-purged, closed-loop, or closed-vent system.		
Self Report?	NO	Classification:	Moderate

Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
30 TAC Chapter 122, SubChapter B 122.145(2)(A)
5C THSC Chapter 382 382.085(b)
General Terms & Conditions OP

Description: Failure to include all instances of deviations in their respective Deviation Reports (DRs). Additionally, the company failed to report certain deviations in the correct reporting period and failed to include a corrective action in at least one reported deviation.

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
30 TAC Chapter 122, SubChapter B 122.146(5)(D)
5C THSC Chapter 382 382.085(b)
ST & C 20 OP

Description: Failure to include or reference in the permit compliance certification (PCC) the identification of all other terms and conditions of the permit for which compliance was not achieved.

Date: 09/30/2010 (882729) CN600124861

Self Report? YES Classification: Moderate

Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)

Description: Failure to meet the limit for one or more permit parameter

Date: 05/27/2011 (908860) CN600124861

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 335, SubChapter C 335.62
40 CFR Chapter 262, SubChapter I, PT 262, SubPT A 262.11

Description: Failure to conduct a hazardous waste determination for each solid waste generated, pursuant to 40 CFR 262.11 and 30 TAC 335.62.

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 335, SubChapter A 335.6(c)

Description: Failure to immediately document any changes or additional information with respect to such notification and within 90 days of the occurrence of such change or of becoming aware of such additional information, as required by 30 TAC 335.6(c).

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 335, SubChapter C 335.69(a)(3)
40 CFR Chapter 262, SubChapter I, PT 262, SubPT C 262.34(a)(3)

Description: Failure to place the words 'Hazardous Waste' on containers managing hazardous waste.

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 335, SubChapter C 335.69(a)(2)
40 CFR Chapter 262, SubChapter I, PT 262, SubPT C 262.34(a)(2)

Description: Failure to place the accumulation date on containers managing hazardous waste.

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 335, SubChapter C 335.69(a)(1)(A)
30 TAC Chapter 335, SubChapter E 335.112(a)(8)
40 CFR Chapter 262, SubChapter I, PT 262, SubPT C 262.34(a)(1)(i)
40 CFR Chapter 265, SubChapter I, PT 265, SubPT I 265.173(a)

Description: Failure to keep containers managing hazardous waste closed except when adding or removing wastes.

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 305, SubChapter F 305.125
30 TAC Chapter 335, SubChapter F 335.152
40 CFR Chapter 264, SubChapter I, PT 264, SubPT D 264.52(e)
50100 / PP. Section II.A. Gen. Fac. Stds PERMIT
50100 / PP. Sec. II.C.2.c General Fac. PERMIT

Description: Failure to comply with General Facility Standards - Federal Regulations; 40 CFR 264 Subpart D - Contingency Plan and Emergency Procedures

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 305, SubChapter F 305.125
40 CFR Chapter 264, SubChapter I, PT 264, SubPT B 264.15(b)(1)
50100 / PP. Sec. III.D Facility Mgmt PERMIT
50100 / PP. Section II.A. Gen. Fac. Stds PERMIT

Description: Failure to conduct monthly inspections of the warning signs at the closed landfills; South Equalization Pond and the Waste Management Area 3.

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125
50100 / PP. Section II.A Gen. Fac. Stds PERMIT
50100 / PP. Section V.A.1 Auth. Units PERMIT
Description: Failure to comply with Authorized Units and Operations requirements to maintain "TCEQ PERMIT UNIT NO." identification signs at the closed landfills; South Equalization Pond and the Waste Management Area 3.

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125
40 CFR Chapter 264, SubChapter I, PT 264, SubPT G 264.117(d)
50100 / PP. Section II.A Gen. Fac. Stds PERMIT
50100 / PP. Section VII.G.2 Post Closure PERMIT
Description: Failure to comply with Facility Post-Closure Care Requirements to maintain the cover on the South Equalization Pond (SEP) to prevent ponding and repair 'gulying' damage.

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125
40 CFR Chapter 264, SubChapter I, PT 264, SubPT G 264.117(d)
50100 / PP. Section II.A Gen. Fac. Stds PERMIT
50100 / PP. Section VII.G.5 Post Closure PERMIT
Description: Failure to comply with Facility Post-Closure Care Requirements to maintain a facility perimeter fence for the Waste Management Area 3 (WMA3).

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 335, SubChapter A 335.4
TWC Chapter 26 26.121
Description: Failure to prevent the discharge of industrial solid waste.

Date: 07/01/2011 (933436)

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 113, SubChapter C 113.120
30 TAC Chapter 116, SubChapter G 116.715(a)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT G 63.126(e)(2)
5C THSC Chapter 382 382.085(b)
Special Condition No. 4 PERMIT
ST&C No. 14.A. OP
ST&C No. 18 OP
Description: Failure to load organic HAP's into only railcars which have been demonstrated to be vapor-tight within the preceding 12 months. Specifically, on June 8, 2010, Diamond Shamrock Refining Company L.P. loaded Benzene into a railcar (GATX29842) that had not been Method 27 Vapor Tightness Tested within the past 12 months.

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 113, SubChapter C 113.780
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT UUU 63.1567(a)(3)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT UUU 63.1567(c)(2)
ST&C No. 1.A. OP
Description: Failure to operate at all times according to the procedures outlined in the Operation, Maintenance, and Monitoring Plan. Specifically, Diamond Shamrock Refining Company L.P. failed to inspect the flow meter on the #2 Continuous Catalytic Reformer Scrubber during the third quarter (July 1, 2010 to September 30, 2010) and failed to maintain records documenting flow meter inspection.

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter G 116.715(a)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT QQQ 60.692-2(a)(2)
40 CFR Part 60, Subpart QQQ 60.698(b)(1)
5C THSC Chapter 382 382.085(b)
Special Condition No. 2.D. PERMIT
ST&C No. 18 OP
ST&C No. 9.B. OP

Description: Failure to conduct visual and physical initial and monthly inspections on an active drain and failure to submit an initial start-up certification. Specifically, Diamond Shamrock Refining Company L.P. failed to inspect a drain in the Hydrogen Plant from April 1, 2010 to July 7, 2010 and failed to submit an initial start-up certification to the Administrator within 60 days after the initial start-up of the process drain.

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)
30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 113, SubChapter C 113.130
30 TAC Chapter 113, SubChapter C 113.340
30 TAC Chapter 116, SubChapter G 116.715(a)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT GGG 60.592(a)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-6(a)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-6(c)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT AA 63.648(a)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.167(a)
5C THSC Chapter 382 382.085(b)
Special Condition No. 13.E. PERMIT
ST&C 1.A. PERMIT
ST&C 18 OP

Description: Failure to equip each open-ended valve or line with a cap, blind flange, plug, or second valve. Specifically, Diamond Shamrock Refining Company, LP discovered fifty-eight open-ended lines from October 22, 2009 to July 8, 2010.

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(2)
30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 113, SubChapter C 113.130
30 TAC Chapter 116, SubChapter G 116.715(a)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-7(a)(2)(i)
40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.349(a)(1)(i)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.168(a)(1)(i)(A)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.168(a)(1)(i)(B)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.168(c)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.174(b)(1)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.174(b)(2)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.174(b)(3)
5C THSC Chapter 382 382.085(b)
Special Condition No. 13.F. PERMIT
Special Condition No. 3 PERMIT
ST&C 1.A. OP
ST&C 18 OP

Description: Failure to monitor components, in gas and light liquid service, at intervals specified in applicable requirements.

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 113, SubChapter C 113.120
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT G 63.152(b)
5C THSC Chapter 382 382.085(b)

Description: Failure to submit a Notification of Compliance Status (NOCS) Report within the required timeframe. Specifically, Diamond Shamrock Refining Company, LP failed to submit a NOCS Report by July 30, 2008, following the commencement of toluene truck loading, and by July 30, 2009, following the commencement of xylene truck loading. Diamond Shamrock Refining Company, LP also failed to update the FOP No. O-01450 to include these activities.

F. Environmental audits.

Notice of Intent Date: 03/31/2008 (654049)

Disclosure Date: 09/01/2010

Viol. Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.110

Description: Failure to include untagged components in the fugitive equipment database.

Viol. Classification: Moderate

Citation: 40 CFR Part 60, Subpart VV 60.482-6

Description: Open-ended lines were observed in process units.

Viol. Classification: Minor

Citation: 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-7(c)(1)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-7(c)(2)

Description: Failure to follow-up on repaired valve monitoring for two months after the repair.

Viol. Classification: Minor

Citation: 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-7(d)(1)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-7(d)(2)

Rqmt Prov: PERMIT NSR Permit # 50607, Special Cond. 13.1
PERMIT NSR Permit No. 50607, Special Cond. 14.1
PERMIT NSR PSD-TX-1017
PERMIT NSR PSD-TX-33 1M1
PERMIT NSR PSD-TX-804

Description: Failed to repair valve and pump leaks within 5 days - records indicated that initial repair attempts for forty-five (45) identified valve and pump leaks and re-tests for sixty-nine (69) identified valve leaks were not performed within 5 days.

Viol. Classification: Moderate

Citation: 40 CFR Part 60, Subpart VV 60.482-8

Description: Failed to properly maintain the AVO Program - There were observed instances of ongoing visible stains below fugitive piping components that were not accounted for in the AVO Program.

Viol. Classification: Moderate

Citation: 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.485(b)

Description: During observations of technician monitoring techniques, one technician failed to monitor the pump housing leak interface.

Viol. Classification: Moderate

Citation: 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.485(b)(1)

Description: Failed to keep a leak rate of 500-ppm for a random sample of valves - Comparative monitoring results for a random sample of valves measured a leak rate of 3.5 times the refinery's valve leak at a 500-ppm leak definition during the previous four calendar quarters in the #1 Crude Unit, a margin that was statistically significant based on a 95% confidence interval. The three other units comparatively monitored had a leak rate multiple less than 3.0.

Notice of Intent Date: 07/07/2008 (687858)

Disclosure Date: 09/08/2010

Viol. Classification: Minor

Citation: 40 CFR Chapter 68, SubChapter C, PT 68, SubPT A 68.12(b)(4)

Description: Failure to sign and include a certification statement for the Risk Management Plan (RMP).

Viol. Classification: Minor

Citation: 30 TAC Chapter 116, SubChapter B 116.115

Description: Failure to list on the Risk Management Plan (RMP), the names of two personnel (including a safety manager) who no longer work at the refinery.

Viol. Classification: Major

Citation: 30 TAC Chapter 116, SubChapter G 116.721(d)(1)

Description: Failed to roll the authorization for two lube oil tanks (S03201 & S03202) into a flex permit. The lube oil tanks were authorized by a Permit By Rule in February 2004.

Viol. Classification: Moderate

Rqmt Prov: PERMIT TPDES Permit WQ0001353000, M & R #5

Description: Failed to accompany Annual Outfall 001 flowmeter calibrations with verification statements.

Viol. Classification: Moderate

Citation: 40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.346(b)(1)

Description: Failed to properly maintain drains - several drains at the South Merox unit were either dry or lacking a water seal control.

Viol. Classification: Major

Citation: 40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.346(b)(2)(i)

Description: Failed to properly maintain the vacuum truck and CCR sumps - both the vacuum truck and CCR sumps had areas of torn and missing seals.

Viol. Classification: Moderate

Citation: 30 TAC Chapter 335, SubChapter A 335.10(c)

Description: Failed to provide an EPA ID# for the transporter on several 2007 manifests for Class I petroleum-contaminated soils. It was later determined that the transporter was a subcontractor.

Viol. Classification: Minor

Citation: 40 CFR Chapter 262, SubChapter I, PT 262, SubPT C 262.34(c)(1)(ii)

Description: Failed to properly label a waste paint aerosol can drum at the warehouse (it was missing a hazardous waste label).

Viol. Classification: Minor

Citation: 40 CFR Chapter 262, SubChapter I, PT 262, SubPT C 262.34(c)(1)(ii)

Description: Failed to properly label hazardous waste roll off boxes. Two hazardous waste roll off boxes were missing start dates, and the hazardous waste labels on two other roll off boxes were missing the waste codes.

Viol. Classification: Minor

Citation: 40 CFR Chapter 63, SubChapter C, PT 63, SubPT F 63.104(b)(5)

Description: Failed to provide SOCMI HON cooling water leak determination results from the BTX heat exchange system supply line (downstream from the cooling tower).

Viol. Classification: Minor

Citation: 40 CFR Chapter 63, SubChapter C, PT 63, SubPT AA 63.644(d)

40 CFR Chapter 63, SubChapter C, PT 63, SubPT AA 63.654(f)(3)

Description: Failed to specify an operating range for any of the flare pilot monitors in the Refinery MACT Notification of Compliance Status and subsequent semi-annual reports.

Viol. Classification: Minor

Citation: 40 CFR Chapter 60, SubChapter C, PT 60, SubPT J 60.107(d)

Description: Failed to include a signed statement, in the NSPS J semi-annual report, that indicated whether changes were made in the operation of the FCCU wet gas scrubber during periods of SO2 CEMS data unavailability.

Viol. Classification: Major

Rqmt Prov: PERMIT Flex Permit 50607, Special Condition

Description: Failed to keep hatches closed on tank trucks during liquid sulfur loading.

Notice of Intent Date: 02/18/2011 (912580)

No DOV Associated

Notice of Intent Date: 03/28/2011 (796587)

No DOV Associated

G. Type of environmental management systems (EMSs).

N/A

H. Voluntary on-site compliance assessment dates.

N/A

I. Participation in a voluntary pollution reduction program.

N/A

J. Early compliance.

N/A

Sites Outside of Texas

N/A

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



**IN THE MATTER OF AN
ENFORCEMENT ACTION
CONCERNING
DIAMOND SHAMROCK
REFINING COMPANY, L.P.
RN100542802**

**§ BEFORE THE
§
§
§ TEXAS COMMISSION ON
§
§ ENVIRONMENTAL QUALITY**

AGREED ORDER DOCKET NO. 2011-1350-AIR-E

I. JURISDICTION AND STIPULATIONS

At its _____ agenda, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding Diamond Shamrock Refining Company, L.P. ("the Respondent") under the authority of TEX. HEALTH & SAFETY CODE ch. 382 and TEX. WATER CODE ch. 7. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent appear before the Commission and together stipulate that:

1. The Respondent owns and operates a petroleum refinery at 301 Leroy Street in Three Rivers, Live Oak County, Texas (the "Plant").
2. The Plant consists of one or more sources as defined in TEX. HEALTH & SAFETY CODE § 382.003(12).
3. The Commission and the Respondent agree that the Commission has jurisdiction to enter this Agreed Order, and that the Respondent is subject to the Commission's jurisdiction.
4. The Respondent received notice of the violations alleged in Section II ("Allegations") on or about July 31, 2011.
5. The occurrence of any violation is in dispute and the entry of this Agreed Order shall not constitute an admission by the Respondent of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
6. An administrative penalty in the amount of Thirty-Three Thousand Nine Hundred Thirteen Dollars (\$33,913) is assessed by the Commission in settlement of the violations

alleged in Section II ("Allegations"). The Respondent has paid Thirteen Thousand Five Hundred Sixty-Six Dollars (\$13,566) of the administrative penalty and Six Thousand Seven Hundred Eighty-Two Dollars (\$6,782) is deferred contingent upon the Respondent's timely and satisfactory compliance with all the terms of this Agreed Order. The deferred amount will be waived upon full compliance with the terms of this Agreed Order. If the Respondent fails to timely and satisfactorily comply with all requirements of this Agreed Order, the Executive Director may require the Respondent to pay all or part of the deferred penalty. Thirteen Thousand Five Hundred Sixty-Five Dollars (\$13,565) shall be conditionally offset by Respondent's completion of a Supplemental Environmental Project ("SEP").

7. Any notice and procedures, which might otherwise be authorized or required in this action, are waived in the interest of a more timely resolution of the matter.
8. The Executive Director of the TCEQ and the Respondent have agreed on a settlement of the matters alleged in this enforcement action, subject to the approval of the Commission.
9. The Executive Director recognizes that by January 2009, the Respondent implemented measures to ensure that monthly monitoring of the volatile organic compounds associated with the cooling tower water at three cooling towers, emission point number ("EPN") F-2810 at the East Plant, EPN F-0670 at the West Plant (Cooling Tower No. 1), and EPN F3670 at the West Plant (Cooling Tower No. 2), is conducted.
10. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that the Respondent has not complied with one or more of the terms or conditions in this Agreed Order.
11. This Agreed Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Agreed Order, whichever is later.
12. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable.

II. ALLEGATIONS

As owner and operator of the Plant, the Respondent is alleged to have:

1. Failed to maintain sensing devices capable of continuously and properly detecting the presence of a pilot flame for five flares, EPNs FL-003, FL-004, FL-005, FL-006, and FL-501, in violation of 30 TEX. ADMIN. CODE §§ 101.20(3), 113.120, 113.340, 116.715(a), and 122.143(4), Federal Operating Permit ("FOP") No. 01450, General Terms and Conditions and Special Terms and Conditions No. 1.A., New Source Review ("NSR") Flexible Permit Nos. 50607, PSDTX331M1, PSDTX804, and PSDTX1017M1, Special Conditions No. 7.B., 40 CODE OF FEDERAL REGULATIONS ("CFR") §§ 63.11(b)(5), 63.114(a)(2), and

- 63.644(a)(2), and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during a record review conducted on May 24, 2011. Specifically, false pilot flame signals occurred at the five flares intermittently (at least 232 instances), as reported in semi-annual deviation reports for the reporting periods between December 1, 2007 and September 30, 2009.
2. Failed to install and operate instrumentation sufficient to continuously measure and record the Fluid Catalytic Cracking Unit ("FCCU") regenerator's air flow rate ("Qa") and exhaust gases ("Qr") that led to the failure to correctly determine the FCCU's average coke burn-off rate ("Rc"), in violation of 30 TEX. ADMIN. CODE §§ 113.780 and 122.143(4), FOP No. 01450, General Terms and Conditions and Special Terms and Conditions No. 1.A., 40 CFR §§ 63.1564(b) and 63.1572(c)(1), and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during a record review conducted on May 24, 2011. Specifically, the methods utilized by the Respondent to acquire Qa and Qr are not approved and consequently, the Rc has not been determined correctly on a daily basis since April 11, 2005, as reported in semi-annual deviation reports for the reporting periods between December 1, 2007 and September 30, 2009.
 3. Failed to conduct monthly monitoring during November and December 2008 of the volatile organic compounds associated with the cooling tower water at three cooling towers, EPN F-2810 at the East Plant, EPN F-0670 at the West Plant (Cooling Tower No. 1), and EPN F3670 at the West Plant (Cooling Tower No. 2), in violation of 30 TEX. ADMIN. CODE §§ 101.20(3), 116.715(a), and 122.143(4), FOP No. 01450, General Terms and Conditions and Special Terms and Conditions Nos. 1.A. and 17, NSR Flexible Permit Nos. 50607, PSDTX331M1, PSDTX804, and PSDTX1017M1, Special Conditions No. 22, and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during a record review conducted on May 24, 2011.
 4. Failed to submit accurate and complete semi-annual periodic reports, in violation of 30 TEX. ADMIN. CODE §§ 113.780 and 122.143(4), FOP No. 01450, General Terms and Conditions and Special Terms and Conditions No. 1.A., 40 CFR § 63.1575(d) and (e)(1), and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during a record review conducted on May 24, 2011. Specifically, the Respondent failed to report multiple instances of ultraviolet sensor malfunctions at the pilot flame apparatus for its Crude Flare, EPN FL-501, and FCCU Flare, EPN FL-003, that occurred between February 12, 2008 and September 28, 2009, in the four semi-annual reports for the semi-annual periods between January 1, 2008 and December 31, 2009. Additionally, for the 20 malfunctions regarding carbon monoxide emissions that were reported in these reports, the Respondent failed to include accurate times and durations of the malfunctions (reporting the emissions times and durations instead).

III. DENIALS

The Respondent generally denies each allegation in Section II ("Allegations").

IV. ORDERING PROVISIONS

1. It is, therefore, ordered by the TCEQ that the Respondent pay an administrative penalty as set forth in Section I, Paragraph 6 above. The payment of this administrative penalty and the Respondent's compliance with all the terms and conditions set forth in this Agreed Order resolve only the allegations in Section II. The Commission shall not be constrained in any manner from requiring corrective action or penalties for violations which are not raised here. Administrative penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: Diamond Shamrock Refining Company, L.P., Docket No. 2011-1350-AIR-E" to:

Financial Administration Division, Revenues Section
Attention: Cashier's Office, MC 214
Texas Commission on Environmental Quality
P.O. Box 13088
Austin, Texas 78711-3088
2. The Respondent shall implement and complete a SEP in accordance with TEX. WATER CODE § 7.067. As set forth in Section I, Paragraph 6 above, Thirteen Thousand Five Hundred Sixty-Five Dollars (\$13,565) of the assessed administrative penalty shall be offset with the condition that the Respondent implement the SEP defined in Attachment A, incorporated herein by reference. The Respondent's obligation to pay the conditionally offset portion of the administrative penalty assessed shall be discharged upon final completion of all provisions of the SEP agreement.
3. It is further ordered that the Respondent shall undertake the following technical requirements:
 - a. Within 30 days after the effective date of this Agreed order, implement measures designed to ensure that ultraviolet sensor malfunctions at the pilot flame apparatus for the Crude Flare and FCCU Flare are properly reported in the semi-annual periodic reports, in accordance with 40 CFR § 63.1575(d) and (e)(1);
 - b. Within 45 days after the effective date of this Agreed Order, submit written certification as described in Ordering Provision No. 3.h. below, and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision No. 3.a.;
 - c. Within 90 days after the effective date of this Agreed Order:
 - i. Obtain an approved alternative monitoring plan ("AMP") from the United States Environmental Protection Agency ("US EPA"). If an approved AMP cannot be obtained within 90 days after the effective date of this Agreed Order, within an additional 180 days, install and maintain sensing devices capable of continuously and properly detecting the presence of a pilot flame for EPNs FL-003, FL-004, FL-005, FL-006, and FL-501, in accordance with 40 CFR §§ 63.114(a)(2) and 63.644(a)(2); and

- ii. Obtain an approved AMP from the US EPA. If an approved AMP cannot be obtained within 90 days after the effective date of this Agreed Order, within an additional 365 days, install and operate instrumentation sufficient to continuously measure and record the FCCU's regenerator's Qa and Qr in order to determine the FCCU's Rc, in accordance with 40 CFR §§ 63.1564 and 63.1572.
- d. Within 105 days after the effective date of this Agreed Order, if an AMP is obtained in order to meet the requirements of 40 CFR §§ 63.114(a)(2) and 63.644(a)(2), submit written certification as described in Ordering Provision No. 3.h. below, and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision No. 3.c.i.;
- e. Within 105 days after the effective date of this Agreed Order, if an AMP is obtained in order to meet the requirements of 40 CFR §§ 63.1564 and 63.1572, submit written certification as described in Ordering Provision No. 3.h. below, and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision No. 3.c.ii.;
- f. Within 285 days after the effective date of this Agreed Order, if sensing devices capable of continuously and properly detecting the presence of a pilot flame for EPNs FL-003, FL-004, FL-005, FL-006, and FL-501 are installed and maintained, submit written certification as described in Ordering Provision No. 3.h. below, and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision No. 3.c.i.;
- g. Within 470 days after the effective date of this Agreed Order, if instrumentation sufficient to continuously measure and record the FCCU's regenerator's Qa and Qr in order to determine the FCCU's Rc is installed and operated, submit written certification as described in Ordering Provision No. 3.h. below, and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision No. 3.c.ii.; and
- h. The certification shall be notarized by a State of Texas Notary Public and include the following certification language:

"I certify under penalty of law that I have personally examined and am familiar with the information submitted and all attached documents, and that based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the submitted information is true, accurate and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fines and imprisonment for knowing violations."

The certification shall be submitted to:

Order Compliance Team
Enforcement Division, MC 149A
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

with a copy to:

Air Section Manager
Corpus Christi Regional Office
Texas Commission on Environmental Quality
6300 Ocean Drive, Suite 1200
Corpus Christi, Texas 78412-5503

4. The provisions of this Agreed Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Plant operations referenced in this Agreed Order.
5. If the Respondent fails to comply with any of the Ordering Provisions in this Agreed Order within the prescribed schedules, and that failure is caused solely by an act of God, war, strike, riot, or other catastrophe, the Respondent's failure to comply is not a violation of this Agreed Order. The Respondent shall have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. The Respondent shall notify the Executive Director within seven days after the Respondent becomes aware of a delaying event and shall take all reasonable measures to mitigate and minimize any delay.
6. The Executive Director may grant an extension of any deadline in this Agreed Order or in any plan, report, or other document submitted pursuant to this Agreed Order, upon a written and substantiated showing of good cause. All requests for extensions by the Respondent shall be made in writing to the Executive Director. Extensions are not effective until the Respondent receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director.
7. This Agreed Order, issued by the Commission, shall not be admissible against the Respondent in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Agreed Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.
8. This Agreed Order may be executed in separate and multiple counterparts, which together shall constitute a single instrument. Any page of this Agreed Order may be copied, scanned, digitized, converted to electronic portable document format ("pdf"), or otherwise reproduced and may be transmitted by digital or electronic transmission, including but not limited to facsimile transmission and electronic mail. Any signature

affixed to this Agreed Order shall constitute an original signature for all purposes and may be used, filed, substituted, or issued for any purpose for which an original signature could be used. The term "signature" shall include manual signatures and true and accurate reproductions of manual signatures created, executed, endorsed, adopted, or authorized by the person or persons to whom the signatures are attributable. Signatures may be copied or reproduced digitally, electronically, by photocopying, engraving, imprinting, lithographing, electronic mail, facsimile transmission, stamping, or any other means or process which the Executive Director deems acceptable. In this paragraph exclusively, the terms "electronic transmission", "owner", "person", "writing", and "written" shall have the meanings assigned to them under TEX. BUS. ORG. CODE § 1.002.

9. Under 30 TEX. ADMIN. CODE § 70.10(b), the effective date is the date of hand-delivery of the Order to the Respondent, or three days after the date on which the Commission mails notice of the Order to the Respondent, whichever is earlier. The Chief Clerk shall provide a copy of this Agreed Order to each of the parties.

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission

Paul Hyle
For the Executive Director

3/2/12
Date

I, the undersigned, have read and understand the attached Agreed Order. I am authorized to agree to the attached Agreed Order on behalf of the entity indicated below my signature, and I do agree to the terms and conditions specified therein. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

I also understand that failure to comply with the Ordering Provisions, if any, in this order and/or failure to timely pay the penalty amount, may result in:

- A negative impact on compliance history;
- Greater scrutiny of any permit applications submitted;
- Referral of this case to the Attorney General's Office for contempt, injunctive relief, additional penalties, and/or attorney fees, or to a collection agency;
- Increased penalties in any future enforcement actions;
- Automatic referral to the Attorney General's Office of any future enforcement actions; and
- TCEQ seeking other relief as authorized by law.

In addition, any falsification of any compliance documents may result in criminal prosecution.

Harry D. Wright, Jr.
Signature

01/18/2012
Date

HARRY D. WRIGHT, JR.
Name (Printed or typed)
Authorized Representative of
Diamond Shamrock Refining Company, L.P.

VICE PRESIDENT & GENERAL MANAGER
Title

Instructions: Send the original, signed Agreed Order with penalty payment to the Financial Administration Division, Revenues Section at the address in Section IV, Paragraph 1 of this Agreed Order.

Attachment A
Docket Number: 2011-1350-AIR-E

SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	Diamond Shamrock Refining Company, L.P.
Penalty Amount:	Twenty-Seven Thousand One Hundred Thirty-One Dollars (\$27,131)
SEP Offset Amount:	Thirteen Thousand Five Hundred Sixty-Five Dollars (\$13,565)
Type of SEP:	Pre-approved
Third-Party Recipient:	Texas PTA - <i>Texas PTA Clean School Buses</i>
Location of SEP:	Texas Air Quality Control Region 214 - Corpus Christi - Victoria

The Texas Commission on Environmental Quality ("TCEQ") agrees to offset a portion of the administrative Penalty Amount assessed in this Agreed Order for the Respondent to contribute to a Supplemental Environmental Project ("SEP"). The offset is equal to the SEP Offset Amount set forth above and is conditioned upon completion of the project in accordance with the terms of this Attachment A.

1. Project Description

A. Project

The Respondent shall contribute the SEP Offset Amount to the Third-Party Recipient named above. The contribution will be to **Texas PTA** for the *Texas PTA Clean School Bus Program* as set forth in an agreement between the Third-Party Recipient and the TCEQ. Specifically, the contribution will be used to reimburse local school districts for the cost of the following activities to reduce emissions: 1) replacing older diesel buses with alternative fueled or clean diesel buses; or 2) retrofitting older diesel buses with new, cleaner technology. All dollars contributed will be used solely for the direct cost of the project and no portion will be spent on administrative costs. The SEP will be done in accordance with all federal, state and local environmental laws and regulations.

The Respondent certifies that it has no prior commitment to make this contribution and that it is being done solely in an effort to settle this enforcement action.

Diamond Shamrock Refining Company, L.P.
Agreed Order - Attachment A

B. Environmental Benefit

This SEP will provide a discernible environmental benefit by reducing particulate emissions from buses by more than 90% below today's level and by reducing hydrocarbons.

C. Minimum Expenditure

The Respondent shall contribute at least the SEP Offset Amount to the Third-Party Recipient and comply with all other provisions of this SEP.

2. Performance Schedule

Within 30 days after the effective date of this Agreed Order, the Respondent must contribute the SEP Offset Amount to the Third-Party Recipient. The Respondent shall mail a copy of the Agreed Order with the contribution to:

Director of Finance
Texas PTA
408 West 11th Street
Austin, Texas 78701

3. Records and Reporting

Concurrent with the payment of the SEP Offset Amount, the Respondent shall provide the Enforcement Division SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP Offset Amount to the Third-Party Recipient. The Respondent shall mail a copy of the check and transmittal letter to:

Enforcement Division
Attention: SEP Coordinator, MC 219
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

4. Failure to Fully Perform

If the Respondent does not perform its obligations under this SEP in any way, including full expenditure of the SEP Offset Amount and submittal of the required reporting described in Section 3 above, the Executive Director may require immediate payment of all or part of the SEP Offset Amount.

Diamond Shamrock Refining Company, L.P.
Agreed Order - Attachment A

In the event of incomplete performance, the Respondent shall include on the check the docket number of this Agreed Order and a note that it is for reimbursement of a SEP. The Respondent shall make the payment for the amount due to "Texas Commission on Environmental Quality" and mail it to:

Litigation Division
Attention: SEP Coordinator, MC 175
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

5. Publicity

Any public statements concerning this SEP made by or on behalf of the Respondent must include a clear statement that the project was performed as part of the settlement of an enforcement action brought by the TCEQ. Such statements include advertising, public relations, and press releases.

6. Clean Texas Program

The Respondent shall not include this SEP in any application made to TCEQ under the "Clean Texas" (or any successor) program(s). Similarly, the Respondent may not seek recognition for this contribution in any other state or federal regulatory program.

7. Other SEPs by TCEQ or Other Agencies

The SEP identified in this Agreed Order has not been, and shall not be, included as a SEP for the Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.